

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6573

BILL NUMBER: HB 1342

DATE PREPARED: Nov 29, 2001

BILL AMENDED:

SUBJECT: Logging ban on state forest land.

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FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill prohibits the Department of Natural Resources from selling timber from state forests. The logging ban does not apply to existing contracts. The bill also repeals laws concerning the sale of timber from state forests.

Effective Date: Upon passage.

Explanation of State Expenditures: Administrative costs associated with the sale of state timber would decrease. The decrease would be based on the extent and number of state forest timber sales. The Department, however, would not decrease staff.

Explanation of State Revenues: Eighty-five percent of revenues derived from the sale of timber from state forests are deposited into the State Forestry Fund. The Department of Natural Resources is to use revenue in the fund for the following purposes (IC 14-23-3-4):

- (1) The purchase, supervision, and development of state forests and state forest land.
- (2) The growing and distribution of forest tree seedlings for state and private forest planting.
- (3) The organized prevention, detection, control, and suppression of forest fires in the forests, woodlands, and plantations within Indiana.
- (4) The providing of forestry assistance to farmers and private forest landowners for the purpose of providing for the better protection, management, development, and utilization of forest products and forests located in Indiana.

Fifteen percent of the net receipts generated from state timber sales are deposited in the general fund of the county in which the state forest is located.

State and local revenues generated from the sale of timber for the past four years are listed below.

Revenues Generated from the Sale of Timber from State Forests		
Fiscal Year	Net State Revenues	15% of Gross Revenues Distributed to Local Units
1998	\$684,934	\$112,172
1999	\$960,050	\$159,540
2000	\$739,993	\$120,232
2001	\$494,121	\$ 78,220
Average	\$719,774	\$117,541

Explanation of Local Expenditures:

Explanation of Local Revenues: See State Revenues above.

State Agencies Affected: Department of Natural Resources.

Local Agencies Affected: Counties that contain timber sold from state forests.

Information Sources: Mickey James, Executive Office, Department of Natural Resources (317) 232-4043.